

EXHIBIT 273

Full Transcript: CNN Anchor Poppy Harlow's exclusive interview with JPMorgan Chase Chairman and CEO Jamie Dimon

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TRANSCRIPT: CNN Anchor Poppy Harlow's exclusive interview with JPMorgan Chase Chairman and CEO Jamie Dimon

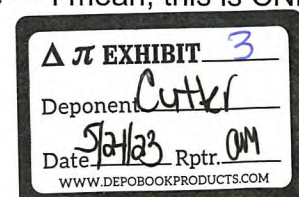
POPPY HARLOW, CNN ANCHOR: Hi, Jamie.

JAMIE DIMON, CEO, JPMORGAN CHASE & CO.: How are you doing?

HARLOW: I'm great. Thank you.

DIMON: Good.

HARLOW: You know, this is home for us. This is — Atlanta's home — I mean, this is CNN's home, I should say.



DIMON: I know that.

HARLOW: So we're happy to be here. Thanks very much.

DIMON: Well, I'm thrilled to be here too. Thank you for having me.

HARLOW: You know, we — just to witness that out there was pretty remarkable. And to hear what you said to this community of Summerhill — you said, one mortgage, you can lift up a society.

DIMON: Yeah.

HARLOW: This is the community center branch here, but you have a lot of them. You opened the first one in Harlem in New York City in 2019. You've got 16 cities, now Atlanta. Why'd you do this?

DIMON: Yeah. This is a great idea someone had, it wasn't mine, for a community branch. So it's bigger, it's a community space. It's built by local contractors — think of minority contractors, local food, local art. The artists — you know, people put the art up.

When we — we hire locally, we have what we call our community managers. So, you have a branch manager, traditional. But the community manager gets to know all the local businesses, not-for-profits, religious institutions. We invite people in to learn about mortgages, and saving money, and starting a business. And it's been unbelievable.

And I've been to like 14 of the 16, or so. We've also taken the community manager — we now have 120. That's worked so well. We're putting them in a lot of different communities.

So you know, it's just part of what we try to do to — when we enter a town, we have 30 percent of our branches or so in lower-income neighborhoods. And we just try to lift up the neighborhoods and bring in all the things that JPMorgan Chase can do to help.

HARLOW: One of the things you say though, because this is part of the \$30 billion commitment to black and brown communities across the country, but you — your — you explicitly say this isn't charity.

DIMON: Yeah.

HARLOW: There's a strong business case.

DIMON: Yeah, that's totally true. And there's two things. So those are huge numbers that we say, you know, 12 billion of affordable housing, 8 billion of mortgages. But at the end of the day, it takes a local — a local place.

The mortgage and loan officer are reaching out to people, helping them through the process. Getting them a homeowner's grant if they need something like that. So that's how it takes place.

But when you do it, you know, we're right across from Georgia State University. There are businesses opening up around here partially because you have a branch in here. And it lifts up the community, but it's also good business. And you want good business.

As these businesses come here, they are — they're hiring locally. There are paychecks in the neighborhood, and it lifts up everybody. So that's part of the — a job of a bank.

HARLOW: What's interesting, though, about this time, exactly this moment that we're sitting down is we're in a rising interest rate environment and it's just harder folks to get mortgages. You've lamented that reality, especially for lower-income individuals in this country right now.

Do you think, given the high prices of homes now, the rising interest rate environment, this American dream of owning a home is really no longer for a lot of folks?

DIMON: I think we have to bring it back. You know, if you look at homes, they're — for most people, they're the way to start building family net-worth and family wealth. And there are a lot of things to do. So you already see home prices down in some places. Builders are already making concessions. We do a lot of special things, you know, a special purpose credit for — sometimes in low-income neighborhoods.

I think the government can do a lot of things. I've — you know, we talk about these things here, but the government can do a lot of things to reduce the cost of mortgage —

HARLOW: Better than they're doing now?

DIMON: Absolutely.

HARLOW: What?

DIMON: Reducing production costs, servicing costs, origination costs, securitization costs, which would make the cost of a small mortgage probably 50 to 75 basis points cheaper. That alone would —

HARLOW: That's a lot of money a month.

DIMON: That's a lot of money a month and it'd make it available to more people. So — and we try to take policies — you know, things we can do here, but also worry about what Washington would do to make it easier with commerce controls —

HARLOW: Are they listening to you?

DIMON: I've been begging them at this point for a long time. I'm praying, I'm begging, I hope they'll listen to this. It's so important and it's — the other important thing is we're not doing it for JPMorgan. It won't affect the future of JPMorgan if we make mortgages more available to lower-income folks around America.

It's so important for lower-income America. And so we won't stop pushing this one until we get it done.

HARLOW: You know, you've been outspoken and critical of some — much of public policy and in the mortgage space and that's a big reason why you guys are here. Can you just speak to the inability to build real generational wealth if you can't get that first start, if you can't get that first mortgage?

DIMON: Yeah, I think it's — I think you have to start even before that. It's skills — it's inner-city schools. So we do a lot of inner-city schools to get them skills. So you graduate even at 12 years old, with a cyber degree or a data degree or a sales degree of financial management, there are jobs out there that kids need training. And a lot of inner cities don't do a good — good job at that.

There's community colleges. You know there's things like getting higher wages, like I think we should double the earned income tax credit. And then there is —

(CROSSTALK)

HARLOW: You and Warren Buffet have been saying that for years —

DIMON: Absolutely. So the American public, if you — if someone's — if a single parent is with two kids is making \$14,000 a year, the government gives you six, roughly. If — if you're — don't have children, they give you about \$600.

My view is we need to get more income into neighborhoods. So if you — if you kind of add to that earned income tax credit, I would get rid of the child —

HARLOW: Requirement.

DIMON: — requirement. You get more money in neighborhoods and that money will be well spent. It will lift up those communities. It would be nothing like that. And then you got to remember, jobs bring dignity, jobs bring better social outcomes, you know jobs — that first job — because sometimes people make fun of the burger flipper job, very well from that bigger flipper own — ends up owning the restaurant.

HARLOW: I've done it.

DIMON: Exactly, we've all done it. And that first job, that first rung in the ladder —

HARLOW: Have you done it?

DIMON: No, but I served in a restaurant, yes. I didn't — I didn't flip the burgers.

(CROSSTALK)

HARLOW: Yes, I learned so much being a waitress. Yes.

DIMON: Yes, exactly.

HARLOW: I learned so much. So —

DIMON: And the mortgage is a part of that. So just getting people to open an account, we've got, you know, accounts you can open here and start saving money thinking about it. And a lot of us had the benefit that our mom or dad took us to a branch and we started the first passbook —

HARLOW: Yes, I remember that.

DIMON: And then you see your money go from like \$84.75 to \$85.17. It's like, that was magic. There's a God. It's like the interest. And so people learn and we want that to take place here. You know we don't want people to be afraid to walk into a branch here. You know come as you are, bring your kids, learn what you're doing. That's the community manager is so important because a lot of people, you know, look at a bank and they're going to walk by.

They're — it's not what they're comfortable with and we want this community to be very comfortable walking in here.

HARLOW: So I just read your annual letter that just came out this week and let's dive into the banking crisis because you write a lot about it in there. You have been the Wall Street CEO, Jamie, at the middle of trying to steady this banking crisis. You're the one that Janet Yellen at Treasury has been calling. You've been meeting with these folks all weekend long for the past month or so trying to get a handle on this.

Is the current banking crisis over?

DIMON: First, I want to say all the bank CEO's did it. So I may have been the first phone call but everyone was on every call, talking about ideas and what works. And they're all patriots and want to help, you know, save the system and make it work better and also to help the regional banks and the community banks. So the people think the big banks benefited because deposits came. Well deposits came. It's not what anyone wanted. This is not good for the banking system because we want the American public to have trust in all the banks and we also completely acknowledge that community banks can do things we can't.

And so, we try to support the system and so we all came together. I — I — this is not 2008. OK? This is a much more limited — there are only a handful of banks that had this particular problem. They'll eventually be resolved one way or another and I think then people should take a deep breath.

In a week or two, a lot of these banks are going to be reporting earnings. I think they'll probably be pretty good. The Federal Reserve made some, you know, bold, dramatic moves to help it — easier for some of the issues they had. And I'm hoping it will resolve, you know, rather shortly.

HARLOW: You're hoping?

DIMON: But — hoping, yes.

HARLOW: But is the crisis over? You wrote in your letter, there will be repercussions for years to come.

DIMON: Well, that's different. I think those repercussions are regulatory. I think — and, you know, I acknowledge, obviously when you have a problem, things need to change. But you know, I'm begging the regulators, just take a deep breath. There are hundreds of rules.

You know, you have to be very careful. What do you want in the banking system? What do you want out? How do you make it easier for community banks and regional banks? How do you reduce their costs, not increase their costs, on the — but also make it safe?

So, if there are problems with held-to-maturity portfolios or uninsured deposits, let's fix them. Let's fix them thoughtfully. It's the mix of all the things we do. It's not whether you do one thing right or wrong, so.

HARLOW: Do you expect more banks to fail this year?

DIMON: I don't know. But if there are, I know, honestly, they'll be resolved, and it will probably be the last of them.

I think — I think we're getting near the end of this particular crisis. And fewer financial institutions — remember, in '08, it was hundreds of institutions around the world, far too much leverage; we don't have that. Huge problems in mortgage markets; we don't have that. This is nothing like that. And the American public shouldn't think that.

This will resolve and then we should go look at, you know, what went wrong and fix it, you know, in the clean — in the light of day.

HARLOW: Well, so then what — what was it? If this coming to an end is this is a situation like — you know, Warren Buffett famously said, "only when the tide goes out do you learn who's been swimming naked."

DIMON: Yes.

HARLOW: Were these banks swimming naked?

DIMON: Yes, so I said it was hiding in plain sight. Everyone knew about uninsured deposits, everyone knew about interest rate exposure, everyone knew about held-to-maturity portfolios. The only difference — the only real difference was what we called concentrated clients.

So, Silicon Valley Bank had, you know, a handful of people controlled 35,000 corporate accounts. And they just left, you know, \$140 billion or something over a course — a course of two days. That's not happening at other regional banks. They don't have that issue.

(CROSSTALK)

HARLOW: What —

DIMON: Nor do they have all these other issues. So, it's only a handful that were — that much off-sides.

HARLOW: But then, what's going on with First Republic? I mean, you lead the effort to swoop in, \$30 billion from you and your fellow banks to try to steady First Republic. And you've acknowledged, we don't even know yet if that worked.

DIMON: Yeah, that was an attempt to try to resolve, help, give them time to resolve a situation. We represent them, so I really can't talk it about any more than that. And we hope it resolves, one way or another. So, that will come in the future.

But I don't — I don't think this is that kind of crisis that you're going to have it ongoing forever. It will be — now Warren Buffett said, when the tide goes out — you mentioned something else. Rising rates is that tide going out. And if that tide goes out a lot — so I would tell people, you know, be prepared for higher rates. I don't know that it's going to happen, but be prepared you're not —

HARLOW: Be prepared.

DIMON: — in that tide. You know, so —

HARLOW: You think the Fed raises again in May?

DIMON: Well, there are two rates. One is the short rate.

HARLOW: Yes.

DIMON: I do not know what they're going to do and, obviously, they may not because — you know, the financial conditions.

But there's also longer rates, and that has a different effect. And that the Fed does not control directly. That's controlled by global investors, sentiment, supply and demand, and that's gotten bad for sovereign debt. OK? So, you know, to me, yes, you have a chance of long rates going up and people might have (ph) to get used to higher for longer.

HARLOW: Higher for longer?

DIMON: Yes.

HARLOW: Get ready for that?

DIMON: I believe that is a — I think it has a higher outcome than other people. I'm not predicting it.

HARLOW: Right.

DIMON: Yes.

HARLOW: Is the American banking system truly safe and secure?

DIMON: Yes. I mean, the banks have extraordinary liquidity, extraordinary capital. When they report earnings next quarter, everything's going to be quite good, in my opinion. They could handle not just one stress test but multiple ways of being stressed.

HARLOW: That's the big guys —

DIMON: Yes.

HARLOW: — who have to abide by all those requirements, I'm talking about the midsize and little guys that don't anymore.

DIMON: Well, they — they have far more requirements than you think. So I don't think it was the requirement — some people think that they were —

HARLOW: The roll back.

DIMON: — loosened — that roll back literally had nothing to do with it.

HARLOW: How do you know?

DIMON: Because they had the same internal liquidity requirements, stress requirements, reporting requirements, supervisory requirements. They made mistakes.

HARLOW: It was different if they were under \$250 billion in assets.

DIMON: Not as much as you'd think.

HARLOW: So all those senators that are saying it was wrong to roll them back — Democrats rolled it back too, some of them — those senators are wrong?

DIMON: Yeah. Look — look, it's not — again, I — when you talk about regulations, that's — they're looking at one thing and I'm looking at multiple others. So they had high liquidity requirements, high capital requirements. They met the requirements. They had too much interest rate exposure and things should change. But they were not —

HARLOW: Yeah.

DIMON: — out of line with — you know, with regulations.

HARLOW: Well —

DIMON: And it wasn't the regulatory change. It was other things. And by — in life, that's going to happen. This notion that somehow you can make everything perfect is wrong. We —

HARLOW: I know, but —

DIMON: — we know —

(CROSSTALK)

HARLOW: — you don't want a big, well-known bank to collapse.

DIMON: No, you don't. But what you also really want is that every now and then something will happen, and the system can handle it in due course.

HARLOW: Let them —

DIMON: And —

HARLOW: — collapse?

DIMON: — that's what the — yes. Failure is OK. You just don't want this domino effect. And so, when you have a bank run, you end up with some kind of a domino effect.

I guess my point is, we — we are close to it. Get to the point where a bank can fail and it doesn't have this kind of effect.

HARLOW: OK.

DIMON: And it just — monitoring, changing a few things can get you much, much closer to that.

HARLOW: Let me — let — let's get into what would actually work. But look, what we do know is that regulators told Silicon Valley Bank, at least six times, you've got a problem and you have vulnerabilities, you need to fix them.

Because of the law change a few years ago, they didn't have to fix them, they didn't — it was just a recommendation. They didn't fix those vulnerabilities.

DIMON: I don't — I don't think it had anything to do with the law change.

HARLOW: But —

(CROSSTALK)

DIMON: They should have fixed it. The regulators should have forced it.

HARLOW: Yeah — so let me ask you this question. Because you — the regulators can't force it, should the public know when banks like that are warned multiple times or is the risk too great, that then there's a run on the bank, if you wave a flag and say this bank has an issue?

DIMON: Yeah, so you may know more than I do about it, because I didn't read all those —

HARLOW: I —

DIMON: — regulatory reports. But —

HARLOW: — doubt that.

DIMON: But my — my view is the regulators could have forced it. If my regulators called me up and said, we do not like X and you have to change it, I would change it.

HARLOW: You would —

(CROSSTALK)

DIMON: There was — there was no law change that made that not possible.

HARLOW: There was a 2021 regulation change that — it was said that was just guidance. So you're saying it should be forced —

DIMON: No, it wasn't just guidance.

HARLOW: OK.

DIMON: I have just guidance, too. But when they tell me I have to do it, I'm going to —

HARLOW: You do it.

DIMON: — do it.

HARLOW: You do it.

DIMON: I'm going to do it, yes.

HARLOW: So let's talk about regulation. You say better regulation would not have prevented —

DIMON: No, no. It would have.

HARLOW: It — it would have. So what's better?

DIMON: Well, I think, again there — we have liquidity discount windows.

HARLOW: Yeah.

DIMON: We have mortgage laws. We've got capital laws. We've got TLAC laws. We've got how you can use the discount window. We've got —

HARLOW: Our viewers don't know —

(CROSSTALK)

DIMON: I know —

HARLOW: — TLAC laws —

(CROSSTALK)

DIMON: — I mean — there are a hundred rules. I'm saying, thoughtfully adjust the mix of how you do those. Make a bit of changes. If you have uninsured deposits, whether that means held-to-maturity, should you have debt issued, should the supervisors force something or not statutorily, not voluntarily —

HARLOW: Yeah.

DIMON: And yeah, I think you could make a lot of changes that would improve the system. But that's always true in any system. I've never seen that not be true.

HARLOW: You — you write in your annual letter about what you call, your word, whack-a-mole —

DIMON: Yeah.

HARLOW: You seem to like that word. And politically motivated responses to the banking crisis — like what?

DIMON: Yeah. Well, I — no, I think very often when it comes to regulations, you have — this is the problem, and they try to fix that. But often, it has unintended consequences.

If you — if you want healthy regional banks, or community banks, you should also listen to them about what excess cost does to their ability to compete, you know, and what extra high-cost debt does to it. And — and have a thoughtful conversation about, what are the things we can do to — to make it easy for you and make the system safer.

HARLOW: I —

(CROSSTALK)

DIMON: And I believe that that's doable.

HARLOW: I —

DIMON: Yeah, it's not doable without the conversation and without the analysis.

HARLOW: I was reading back some — some — some things you said in 2008, when I just actually started covering you and covering the banks. And this was in the middle of the crisis, you'd just acquired Bear Stearns in a fire-sale trying to stabilize the banking system. And then you said, if you don't worry in this business, you're crazy. What are you most worried about right now in this business?

DIMON: Two — two things. Well, I think all this — quantitative tightening, the effect it has on long term rates, inflation higher for longer. That's kind of the tide going out. So like, even when Bear Stearns went down, you think other people have seen that and said I have too much leverage, too much mortgage debt, too much this and made some changes.

Lehman went down six months later. I think they might have been able to fix that in the meantime. So that's a little bit of a warning to people.

But I think this war in Ukraine — I think that is changing everything we think about in the world, how we should think about safety and security, even around food, energy, it's changing economic relationships, it's roiling the relationship with us and China. That is the most important thing. I mean, if you want to have a free and Democratic Western world and an American century in the next hundred — century, that's what we got to focus on.

HARLOW: You said last year on that front, the autocratic world thinks that the Western world is a little lazy and incompetent and there's a little bit of truth to that. Is that still how you see it?

DIMON: Yeah. I think — you know I think we do a lot of things that — first of all, we're in a great position. So you know for the American public we have food, water, energy, we're the most prosperous nation the world's ever seen. The most innovative. Just got to Atlanta. Go

to — not just Silicon Valley but it's in Atlanta too, it's in New York, it's in Brooklyn, you know it's all over the place.

We have a — the GDP per person is \$70,000 plus. China's is \$15,000. They import 10 million barrels of oil a day. They don't have the Atlantic and the Pacific. They have a very complicated neighborhood. They're — you know they're angering their neighbors who are all starting to rearm. We've got a great hand. On the other hand, we haven't done a very good job taking care of our lower-paid citizens, our inner-city schools, immigration, taxation, and I think people should pay their taxes.

Litigation, which you know, it cost 1 percent of GDP and if it was — if it created more fairness in life, I'd say I was good but it's capricious, arbitrary, slow. You know and I — so I can go on and on about — mortgages for your — you already heard about affordable housing. You know we all agree with that.

But very well the problem with affordable housing isn't capital, it's local zoning laws. So if America just got out of its own way, I think we go up 3 percent a year. Not — yeah.

HARLOW: Right. Let's get to that because there's positives that you write about in American growth. Such as sticking on sort of the world right now with global alliances. Are you worried about how close Iran, Russia, and China are to one another right now and are getting to one another, do you think about that? You're a student of history.

DIMON: Yeah. I mean if you were going to ally with the Western World and America and Europe and the Western World or you're going to ally with, you know, Iran and Russia. I mean please, am I worried? Not really.

HARLOW: That doesn't worry you?

DIMON: No.

HARLOW: It worries some of our top generals.

DIMON: Well, no I — OK. You said military. Yes, you should worry about geopolitics, but I just told you what a great hand America has. Same with, kind of, Europe. What we should be doing is making sure we're with allies not just militarily but economically, strategically, diplomacy, development finance, you know agree — have the rest of the world want to join us.

So if you're India, would you rather be part of that group or part of the Western world?

HARLOW: Are we doing enough to entice?

DIMON: No, not enough. No. I think — you know Bob Gates in his book, probably called the Symphony of Power or something like that.

HARLOW: Yes.

DIMON: Said the symphony includes diplomacy, development finance, to having business involved and helping develop, you know, Africa or Latin America, parts of Asia. I think we could do a far better job courting that as a policy. I think, by the way, the administration thinks that too. And — and the other thing is but you can't take trade off the table. So the first thing we do is we take trade off the table right from the start.

You know trade may be the most important thing for these countries. And while there are legitimate complaints about trade, we can do it better, we can do it right and we should be very thoughtful about it.

HARLOW: Before we move on to broader economy, I do want to get back to one question on bank and then I wanted to ask you. Should the FDIC insure more than \$250,000? Because I think a lot of people feel right now, after what we've seen, that every deposit is just insured with no ceiling.

DIMON: You know, I think, probably. But it goes back to my thing about regulations. If you do this, you don't need to do that. If you do this, you don't need to do that. If you do them both, you can hurt. So, just be very thoughtful, but probably we should raise the deposit insurance.

HARLOW: To what?

DIMON: I don't know yet. I mean, again, you got to do the analysis on that.

HARLOW: What about —

DIMON: But I think that would help community banks.

HARLOW: It would help —

DIMON: Yes. Yes.

HARLOW: — raise it? OK. So, final question on that. Should the — should banks like yours, the big guys with the most assets that, you know, are — have an implicit guarantee that you're essentially not going to fail, pay a higher percentage in the deposit insurance?

DIMON: Oh, God, I don't know. I'll leave that —

HARLOW: Progressive?

DIMON: — I'll leave that to everybody else.

HARLOW: You have no opinion on that?

DIMON: No.

HARLOW: If you guys should pay more into it?

DIMON: But if we were too big to fail, by the way, our bonds wouldn't trade the way they trade, just so you know. And you were — and the market said so.

HARLOW: OK, talk about the economy. You wrote a lot about this in your annual letter. Has this banking crisis — even though you think it's almost over, which I'm really glad to hear, though, increase chances of a recession here?

DIMON: Yes. But I — I look at it like it's not definitive. It's just like another weight on the scale.

HARLOW: OK.

DIMON: I think of it as — you know, people who say it's like raising rates another 50 basis points or something like that, I — we are seeing people reduce lending a little bit, cut back a little bit, pull back a little bit. It won't necessarily force recession, but it is recessionary.

HARLOW: Storm clouds ahead, you say maybe some —

DIMON: Yes.

HARLOW: — in the economy?

DIMON: Yes, I mentioned the QT, higher inflation for longer, the war. Those are — those are pretty strong things. If you look at history since World War II, we've not, kind of, faced it like that. It's still early in that. That war, going for longer. We don't really know the outcome in QT. I think we'll be writing about QE and QT for 50 years.

HARLOW: Quantitative tightening and quantitative —

DIMON: Yes, quantitative tightening, quantitative easing —

HARLOW: — easing? OK. But Jamie, we can't just focus on the risks —

DIMON: And the fiscal spending, which is enormous, yeah.

HARLOW: Yes. We can't just focus on the risks because you even write, if you do that, it clouds your judgment.

DIMON: Yes.

HARLOW: You see a lot of positives in this economy. I mean, you talk about America's GDP, you think, being more than 2x in 20 years. What's ahead that is good?

DIMON: We're going to have — whatever we go through in the next couple years, America, in almost every 10-year period going back all through our history, is much better 10 years later than it was before. That includes 1940 to 1950. That includes 1930 to 1940.

And so, the health of America is the strength of its people. It's human capital. It's brain power, it's capability, it's capital markets. We had the, you know, widest, deepest, most transparent capital markets the world's ever seen, and that includes venture capital, private equity, media. We've got open media, freedom of speech, freedom of religion, freedom of enterprise. But the most important in that is freedom of people to do what they want. Like, if you're starting a — so there's two wonderful ladies —

HARLOW: Yes.

DIMON: — starting a business here —

HARLOW: Yes.

DIMON: It's that. It's the — that is — that's at the heart of America, and that's still there. That has not gone away. And we should applaud it. I mean, we should sing— I wrote in my letter, when I talked about all the stuff we do to help society and communities and philanthropy —

HARLOW: Yes.

DIMON: — and DEI. I said, but a lesson I shall not forget, I'm a red-blooded, full-throated, free-market, free-enterprise capitalist. OK? We should applaud free enterprise. We should sing from the hills the benefits while we fix the negatives, as opposed to denigrate the whole thing.

HARLOW: Or we could just screw it up and default.

DIMON: Not as long as I'm alive, boy, we're going to be — keep fighting this one.

HARLOW: You think that Congress is going to get it together in the next few months and raise the debt ceiling?

DIMON: Oh, the debt ceiling?

HARLOW: That's what I'm talking about.

DIMON: Oh. Yes.

HARLOW: You do?

DIMON: I — the only question is, how close they get it before they do it because you'll feel the pain before it happens.

HARLOW: How much pain, even if we don't default?

(CROSSTALK)

HARLOW: If we get to the brink?

DIMON: I think it's a bad idea. And, you know, we — the — our government get — debt could be downgraded again. This economy is the pillar of the world economy. This economy is the pillar of — taking care of Americans, making sure our military is strong, and making sure that people want to be part of our alliances. That you want to be part of the American group that, you know, tries to keep the world safe for democracy.

Yes, that's important. So the closer we get to that the more we're going to damage all of that. And then you'll see it in the markets. And that will — that will scare people.

HARLOW: Well, I hope Washington's listening. The position of the Biden White House now is it will not negotiate with Republicans and the Republicans, many of them, Kevin McCarthy, don't want to pass a clean — they want concession. So should the Biden White House negotiate?

DIMON: I think one of the great lessons of the last 20 years is that if you can't pass things with bipartisan support, you shouldn't pass it. I mean it — we — yes, everyone should negotiate to do the right thing for the country. And I don't — I don't want to get involved in the debate about the Republicans who want to reduce the deficit, I kind of agree with that. The Democrats who would like now to get rid of the debt ceiling crisis.

But people have tortured each other over and over. I rather one day we get rid of the torture. But in the meantime, yes, I'd like to be resolved and when I go to Washington all the — all the — most of the people there know how serious this is and they want to get it to resolution. You've even heard Kevin McCarthy talking about that, Mitch McConnell, you know President Biden in his own way.

HARLOW: Let's hope. Let's talk about politics. Let's turn to politics. You famously said just a few years ago, 2019, "my heart is Democratic, my brain is kind of Republican." Our country, our politics have changed a lot since then. I wonder if that's still the case.

DIMON: It is still the case. I think we can do a better job of lifting up all of our citizens. I already mentioned education and work skills and stuff like that. I think we have to be a little more rational about the world. Free enterprise is a wonderful thing. You know free market capitalism, properly regulated, has lifted billion peoples out of poverty.

We've got to educate the American public how important it is and if the foundation of the strength of America is the strength of the economy.

HARLOW: What does — what does that mean, my heart is Democratic, my brain is Republican. What's leading Jamie Dimon right now? His heart or his brain?

DIMON: I'm usually led by my heart, but my brain part is saying —

HARLOW: But the Democrat.

DIMON: — if we're going to spend money, we should spend it wisely. It's not enough to say oh we're going to spend all this money building highways. How many miles at what cost in what time period? It's not enough to talk about being green when we can't get permits to build solar, wind, or pipelines, which would be green because gas is going to replace coal. And if we're just not completely rational about sophisticated comprehensive policy. And I think the Republicans probably have that a little bit better.

HARLOW: A little bit better, the Republicans right now. Speaking of the Republican Party, the front runner for 2024 is former President Donald Trump. He has been indicted and faced criminal charges this week. Do you expect that to have any kind of impact — adverse impact on the economy, all this turmoil?

DIMON: Not really. You know if you look at America, there are 325 million Americans, you know, 165 million go to work every day, and their primary concern is their family, their community, their kids and things like that. So I don't think that's going to change the course of the economy that much.

HARLOW: You were on President Trump's business council until it was dissolved. Do you think a second Trump term would be good for the U.S. economy?

DIMON: I'm not going to answer that question.

HARLOW: Why?

DIMON: I don't want to.

HARLOW: But it's not about the man, it's about whether his policies would be good for —

DIMON: You know when I look at policies, OK, there are policies that he did that are good. OK. And you know I think the tax reform actually brought \$1 trillion back to America.

The black community had the lowest unemployment rate ever in his last year because it grew the economy. And so I think, you know, there are growth strategies that matter. He had some of those. And — but that's not supporting him. That's just saying that's true.

HARLOW: OK.

DIMON: I would say the same thing about any president. The things they did I thought were good or things they did that I thought weren't good but —

HARLOW: You have called out the Biden administration for not playing more of a leadership role in energy, especially you said, look, America should have been pumping more oil and gas should have been supported. This administration did just approve more drilling in Alaska, good start?

DIMON: It's a good start but it's just a start. I mean it is a long-term strategy to me that oil and gas and the American public should know this, it's not secure. And if it's not secure and affordable, it's bad for the climate.

All that happened because we weren't pumping more is that more coal is used, and not just in India, Philippines, China, and Indonesia, but Germany, and Netherlands and France turned back on their coal plants.

Save and affordable is critical. The transition, by the way, the best — the easiest way to do CO2 is to reduce coal with gas. So therefore you need pipelines. But we're not — you know look at us, we're not approving pipeline permits, but nor are we approving solar, wind, grid. Like we're — we're really stuck in our own underwear on this one.

HARLOW: Stuck in our own underwear?

DIMON: We — we — we have to do a better job. And —

HARLOW: Can I ask you —

DIMON: Yeah.

HARLOW: — about a few states before — before we go? You guys have more employees now in Texas than in New York.

DIMON: Yeah.

HARLOW: And you said it shouldn't have been that way. Why is it that way?

DIMON: Texas is — is completely welcoming. So if you look at it in multiple ways, low income taxes, low corporate taxes and easy to get space, they want you — you know, the mayors call and they have great universities, they now have — you know, if you look at Dallas, they now have great arts and science. It's become a competitive world. When I started working, that wasn't true. Now with cities around the world, they're pretty competitive.

HARLOW: You (ph) —

DIMON: And I think every city should say, you know, what's the competition? And they should be thoughtful about that. You have the highest individual taxes, the highest corporate taxes, the highest estate taxes, anti-business, you can't — look at — you know, New York didn't allow Amazon to build a great headquarters there. Like, was that good —

HARLOW: A little more context to that but —

DIMON: I understand that, but it's just — but why would you try to build in New York then?

HARLOW: You're building huge — huge —

DIMON: Yeah, but we're —

(CROSSTALK)

HARLOW: — new headquarters right in the middle of New York.

(CROSSTALK)

DIMON: It's one of the best buildings the world's ever seen. Yeah.

HARLOW: You love Florida. In fact a few weeks ago you said you were very pro-Florida. You're growing there. Does Governor DeSantis punishing Disney for taking a public stand on social and diversity issues give you pause?

DIMON: Not directly, no.

HARLOW: Really? Because just this week Bob Iger said that's anti-business and anti-Florida. And he said it's punishing a company for exercising a constitutional right.

DIMON: Yeah. I'm not going to get involved in all the social and stuff like that. We support the LGBT community aggressively and actively. But when you — but when you talk about —

(CROSSTALK)

HARLOW: And you'll still do that in Florida despite DeSantis?

DIMON: Yes.

HARLOW: OK. We have to go pretty soon but I — I do want to ask you a few more things. I want to ask you about something that is in the news — that JPMorgan is in the news about a former client of yours and that is Jeffery Epstein. JPMorgan is being sued now by the U.S. Virgin Islands. They're alleging that your bank helped facilitate payments to Epstein's victims and benefited from human trafficking while ignoring warnings. Do those allegations have merit?

DIMON: So I — you know I talk about the current litigation except to say that whenever these things come up, we have some of the best lawyers in the world — compliance, out of the DOJ, out of SEC important divisions who review all of these things and make decisions at the time based on what they know, as best as they know.

HARLOW: You're going to be deposed we've learned now in this case in the spring. In retrospect, Jamie, do you think JPMorgan should have acted more quickly after Epstein pleaded guilty to one of these charges in 2008 because he was your client for five more years?

DIMON: Hindsight is a fabulous gift.

HARLOW: We're going to end on Artificial Intelligence. You find it fascinating, in your words, staggering, the tip of the iceberg. You guys are using ChatGPT. What's this going to do to our economy?

DIMON: I think we'll be OK. Every technology that's ever been adopted was good for the economy. And you know I tell people if you go back to 1900, 40 million people worked on farms. You know technology is now 1 million people. Are we worse off? No. 39 million people now doing other things. So the Internet, electric power, computers all made us better off. Our GDP per person is \$70,000. Yes, this is —

HARLOW: Per person, what if we get replaced?

DIMON: But you won't be. It'll — it'll just change how you work and add things.

HARLOW: Really?

DIMON: But — but if it did — OK, but if it did then society could step in and make sure it's done in a way that people could have jobs and good-paying jobs, but we get the benefit from it. The other thing I should point out about A.I., there's a downside. Bad guys are going to use it too.

HARLOW: Yep.

DIMON: So, you know, for people like us we use it for all these things, we also have to, you know, it's like think of risk and fraud and marketing and errors, you know, and helping clients. We also have to use it to combat — combat bad guys, in the cyber world, the fake ID world and things like that.

So, I think it will be a plus but if — do a thought exercise. Two million truckers, if they're going to lose their jobs tomorrow because of, you know, A.I. driving, you know, and they're going to go from \$75,000 a year to the next job at 25 — that would destroy families. I wouldn't do that. I would phase it in over time, have retraining, you know —

HARLOW: So, even if you could doesn't mean you should.

DIMON: Even if you could does not mean you should. That's where society should step in and government should step in and make sure that this helps, you know, kind of everybody and then —

HARLOW: Very interesting.

DIMON: — if there's someone who's going to get hurt at the low end do something about it. Analysis, think about it, retrain, reskill, help them move or whatever to have probably a better job.

HARLOW: Jamie Dimon, I really appreciate it. I always learn a lot talking to you.

DIMON: Thank you, Poppy.

HARLOW: Thank you very much.

-END-

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